



**Commonwealth of Massachusetts  
Health Care Quality and Cost Council  
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**JUDYANN BIGBY, M.D.**  
Chair

**TIMOTHY P. MURRAY**  
Lieutenant Governor

**KATHARINE LONDON**  
Executive Director

**Health Care Quality and Cost Council**

Meeting Minutes

**Date:** Wednesday, July 16, 2008

**Time:** 1:00 – 4:00 p.m.

**Place:** One Ashburton Place, 21<sup>st</sup> floor, Boston, MA

**Council Members Present:** : JudyAnn Bigby (Chair), Charlie Baker, Kevin Beagan, Elizabeth Capstick, David Friedman, Joseph Lawler, Thomas Lee, Shannon Linde, Katharine London, Dolores Mitchell, Gregory Sullivan and Anya Rader Wallack

*Meeting called to order at 1:06pm*

**I. Approval of Minutes of Council Meeting June 18, 2008 and June 30, 2008**

The Council approved minutes of its June 18, 2008 Meeting and June 30, 2008 Retreat.

**II. Executive Director's Report**

- Personnel - The Council is in the process of interviewing candidates for the Policy Analyst and Legal Counsel positions.
- Public Hearing on regulation 129 CMR 4.00 – On July 9<sup>th</sup>, the Council held a public hearing on Regulation 129CMR 4.00. The Regulation gives the Council statutory rights to share data with providers before posting it on the internet. HCQCC Executive Director, Katharine London, reported that there was no testimony given at the hearing. Members of the public may submit testimony until July 21, 2008 and Advisory Committee members may submit testimony until Monday, July 28, 2008.
- House revised version of the Senate Bill. The Council's authority to collect data has been eliminated from the new version of the Bill. Katharine London told the Council that she believes this may be an oversight. There were a number of changes to the Bill affecting the Council, one being that there will be three members added to the Council, i.e., the Commissioner of Health Care Finance and Policy, the Commissioner of Public Health and the Secretary of Administration and Finance. Katharine indicated that the Council has a contractual relationship with Health Care Finance and Policy, so there may be a conflict having the HCFP Commissioner as a Council member.

The revised version of the Bill includes new responsibilities for the Council, i.e., to develop and annually publish:

- *transparency standards including standardization of claims processing, common and consistent reporting of quality measures, common use of measures used for pay-for-performance reimbursement; and*
- *goals for statewide adoption of health information technology certified by the certification commission for health care information technology.*

The Bill also includes a new statement of purpose for the Council, stronger Public Hearing language and more specific reporting to the legislature.

The Council's statute contains new language in virtually every section "in consultation with the Advisory Committee."

In addition, the bill contains language clarifying the role of the Advisory Committee:

### **III. Items for Discussion**

#### **A. Website Issues/ Dataset Issues**

- Katharine London reported that progress on the website has been severely hampered by the absence of an Analytic Consultant on staff. The Council's plan had been to rely on the Analytic Consultant to guide the Council through database management and methodological issues. Instead, the Council has been compensating by: (1) extending the scope of the MHIC's contract to provide data linking and grouping, and (2) seeking advice from Clinical Consultant John Freedman, health plans, hospital staff, 3M (software company) and others.
- Katharine London reported that Council staff is working closely with the MHIC and DHCFP staff to ensure the data is correct. The Council has instituted a detailed data review process and daily conference calls to strategize on key issues. The Council has sent aggregated data back to the health plans and requested that the plan verify that the data has been aggregated correctly.
- Ms. London reported that the Council's contract with the MHIC is task-based rather than fee for service. The MHIC has had to put in many more hours than they expected to meet the requirements of the contract, but those additional hours do not impact the Council's budget.
- Charlie Baker stated that by the October 2008 Council meeting he would like to see a roll out schedule for the website.
- Suanne Singer from Main Health Information Center reported on website progress, specifically dataset issues. Ms. Singer told the Council that Nationwide Life Insurance Company is still not compliant with the Council's request for data and has been fined \$7,000 to date.

- United Student Healthcare has received an extension for reporting their data until July 31<sup>st</sup>. Suanne indicated that she remains concerned about Mid-West and Mega Life who have partially submitted their data. Ms. Singer stated that the percent of accepted data is expected to rise in 3Q08.
- John Freedman, the Council's clinical consultant was unable to attend the meeting, but submitted a slide presentation. Katharine London reviewed Dr. Freedman's slides for the Council. Katharine stated that different approaches to data analysis result in different curves. Katharine reviewed additional information on the distribution of the Quality Measures which will be discussed in the next Communications and Transparency Committee meeting.
- Katharine reported that John Freedman is in the process of working through some of the Council's recommendations and suggestions from the June 18<sup>th</sup> Council meeting and will report on them during the next scheduled Council meeting. The Council is seeking advice from a statistician on how to approach the statistical issues Councilors raised at the last Council meeting.
- Council members stated that data should be compared to national benchmarks when national benchmarks exist.
- Anya Rader Wallack asked on what basis does the Council want data displayed; Ms. Wallack indicated that she prefers a statistical basis.

#### **B. Adoption of 129 CMR 3.00 Disclosure of Health Care Claims Data**

- As a result of testimony received during the June 11<sup>th</sup> public hearing, staff proposed changes *129 CMR 3:00 Disclosure of Health Care Claims Data*. Katharine London reviewed the changes. Ms. London stated that the Council received limited testimony related to *129 CMR 3.00 Disclosure of Health Claims Data*. Katharine reviewed points listed in the testimony and the proposed changes to the regulation.
- The Council reviewed and discussed the changes to the regulation.

*The Council POSTPONED vote on Regulation 129 CMR 3:00 to give Councilors more time to review the proposed changes to the document.*

#### **C. Collection of Patient Race and Ethnicity Data**

- Kalahn Taylor-Clark and Joachim Roski of the Brookings Institution submitted a Proposed Scope of Work for the Council's consideration. The Brookings Institution is seeking a partnership with the HCQCC to provide assistance to health plans in the Commonwealth to collect racial/ethnic data and to report disparities-sensitive quality measures by race/ethnicity and/or primary language. The Institute has offered this assistance at no charge.

- The Council reviewed the draft proposal and the recommendation made by the Transparency and Communications Committee that the Council partner with the Brookings Institution.
- Katharine London recommended that the Council agree to the Brookings proposal. Katharine also recommended that the Council maintain its current standard of reporting racial/ethnic data to MHIC until July 2009.
- BCBSMA and MAHP plans are still moving forward to collect data – this partnership will not cause delay in collecting data. Brookings Institution representatives stated that the Institution is looking forward to this partnership and to moving quickly with this project.
- JudyAnn Bigby asked that the Council ensure that recommendations take into account what MA has done and be consistent with what has been established.
- The Council approved a proposal to:
  - (1) Partner with experts from the Brookings Institute to develop best practice guidelines for health plans' collection and reporting of patient race and ethnicity and data.
  - (2) Instruct the MHIC not to reject health insurance carriers' data submissions because they are missing patient race and ethnicity data until July 1, 2009. Health insurance carriers may report patient race and ethnicity to the Council via the MHIC on a voluntary basis, in accordance with the data submission standards set forth in the Council's data collection regulation 129 CMR 2.00.
  - (3) Council staff should instruct health insurance carriers not to report patient race and ethnicity data that the carrier estimated using geo/surname coding at this time.

#### **D. Framework for Development of Roadmap to Cost Containment**

- Katharine London reviewed a framework for the development of a roadmap to cost containment that will accomplish the Council's goal to reduce the annual rise in health care costs to no more than the unadjusted growth in GDP by 2012. The roadmap identifies what is needed, what should be eliminated and strategies/tools for change.
- The Council discussed the priorities it established during its June 30<sup>th</sup> Retreat. The Council reviewed the draft "framework document" for developing a detailed plan for the Commonwealth to meet the Council's *Goal 1: Reduce the growth in health care costs to no more than the growth in GDP by 2012.*
- The Council agreed that it has many resources at its disposal to develop this roadmap: the Advisory Committee, local experts, the RAND study, the vast number of studies that have

been conducted on relevant topics. Katharine London stated that she does not believe gathering necessary data will be the Council's major challenge, or that conducting more studies represents the best use of the Council's limited resources. For Katharine, the greatest challenges will be to (1) identify the set of system changes that will reduce the growth in health care costs, (2) develop an implementation schedule that preserves the stability of the health care system, and (3) obtain buy-in from major stakeholders.

- Katharine recommended that the Council begin by hiring a person/firm to orchestrate the process for the Council, similar to JSI's role for the Betsy Lehman expert panel on hospital-acquired infections. This project director would assist the Council in identifying short-term actions that the Council could recommend quickly, as well as a process for working through the more complicated issues. The project director would also identify key resources, develop strategies, identify key stakeholders, develop a timeline and develop a budget for the process.
- Ms. London also recommended hiring several policy analysts for the Council. These staff can leverage the project director's expertise by conducting literature searches, compiling data and interviewing key stakeholders under the project director's direction. Katharine stated that the cost of hiring state agency staff is much lower than hiring comparable private sector staff, consequently the project would be completed at a lower overall cost. However, Katharine does not believe the Council could hire a full-time employee with the skills needed to manage a project of this magnitude.

***Council approved the following Motion.***

*The Council will develop a "Roadmap to Cost Containment" during SFY2009*

*The Council will:*

- *Begin with assessment and analysis of baseline expenditures and likely trend line*
- *Consider a wide range of cost containment interventions, assess the impact of these interventions on the trend line*
- *Make use of all resources available to us*
- *Make comprehensive cost containment recommendations*
- *Develop broadest possible understanding and support for these recommendations*

**D. Budget**

- The Council reviewed the Proposed State Fiscal Year 2009 Spending Plan. The proposed budget reflects the priorities established by the Council during the June 30<sup>th</sup> Council Retreat. Katharine London stated that she does not believe it is possible to meet both of the Council's goals (to launch the website successfully and develop the roadmap) within the Council's existing budget.
- Katharine shared the Governance Committee's recommendation that the Council request additional funds from the line item 1599-2008 reserve fund for cost containment and transparency. There is some risk associated with this strategy: The

Executive Office of Administration and Finance may not fund the Council's request, and the reserve fund could be reduced or eliminated through further budget cuts.

- The Council reviewed the FY09 budgeted items and discussed the Council's plan to expand staff and to hire additional contract consultants. Members expressed concern with the increase in staff stating that unless additional funding is granted it would be wise to hold off on the hiring process.

*The Council APPROVED the FY09 Spending Plan (10 votes for, 1 opposed with Greg Sullivan voting "opposed").*

**E. Approval of Interagency Service Agreement with the Division of Health Care Finance and Policy.**

- Katharine London reviewed a draft of the Council's Interagency Service Agreement with the Division of Health Care Finance and Policy. Katharine also reviewed some of the great work being done by the Division.
- *The Council approved the Executive Director to negotiate the ISA with DHCFP.*

**F. Approval to Distribute Request for Proposals for Analytic Consultant**

- JudyAnn Bigby gave a brief background about the Council's initial Request for Proposal for Analytic Consulting Services. The Council received two proposals that did not meet the Council's needs, forcing the Council to cancel the procurement. The Council then hired the Massachusetts Health Data Consortium to research and identify the disconnects, and to re-write the RFP to communicate the Council's needs and requirements more clearly. The Massachusetts Health Data Consortium interviewed major players, identified sources of misunderstanding, and redrafted the RFP.
- Katharine London discussed the major changes and recommended that the Council approve the revised RFP for posting.
- *The Council voted to approve issuing the revised RFP for Analytic Consultant for distribution.*

*Meeting adjourned 4:03pm*